CMS DEVELOPMENTS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2008

Company Registration Number 4818523

THURSDAY

AR6UA2GT
A57 21/08/2008 76
COMPANIES HOUSE

Tenon Limited
Accountants & Business Advisers
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

CMS DEVELOPMENTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2008

CONTENTS **PAGES**

Independent auditor's report to the company	**1 to 2**
Abbreviated balance sheet	**3**
Notes to the abbreviated accounts	**4 to 6**

CMS DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO CMS DEVELOPMENTS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of CMS Developments Limited for the year ended 31 January 2008 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985 Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of the directors and the auditor
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you

Basis of opinion
We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 3 to the financial statements

Opinion
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions

Other information
On 18/08/2008 we reported as auditor to the members of the company on the financial statements prepared under Section 226 of the Companies Act 1985 and our report included the following paragraph

INDEPENDENT AUDITOR'S REPORT TO CMS DEVELOPMENTS LIMITED *(continued)*

UNDER SECTION 247B OF THE COMPANIES ACT 1985

Emphasis of matter - going concern
In forming our opinion, which is not qualified, we have considered the adequacy of the note made in the accounting policies concerning the company's ability to continue as a going concern The company incurred a net loss of £317,712 during the year ended 31 January 2008 and at that date the company had net liabilities of £314,186 Although there is continued support by its directors the financial statements indicate the existence of a material uncertainty which could cast doubt about the company's ability to continue as a going concern The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern

Tenon Audit Limited
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date - 18 August 2008

CMS DEVELOPMENTS LIMITED

ABBREVIATED BALANCE SHEET

31 JANUARY 2008

	Note	2008 £	2008 £	2007 £	2007 £
Fixed assets	2				
Tangible assets			1,812,461		*9,473*
Investments			-		*1*
			1,812,461		*9,474*
Current assets					
Stocks		2,366,683		*1,856,419*	
Debtors		1,207,554		*355,337*	
Cash at bank and in hand		12,936		-	
		3,587,173		*2,211,756*	
Creditors: Amounts falling due within one year		(4,413,820)		*(2,057,704)*	
Net current (liabilities)/assets			(826,647)		*154,052*
Total assets less current liabilities			985,814		*163,526*
Creditors: Amounts falling due after more than one year			(1,300,000)		-
			(314,186)		*163,526*
Capital and reserves					
Called-up share capital	5		200		*200*
Profit and loss account			(314,386)		*163,326*
Shareholders' funds			(314,186)		*163,526*

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 05 Aug 08 , and are signed on their behalf by:

P A Buckles
Director

The notes on page 3 form part of these abbreviated accounts

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements have been prepared on the basis of the company continuing as a going concern for the foreseeable future This is dependent upon the continued support of the directors The financial statements do not include any adjustments that would be necessary were the directors to withdraw their support In the opinion of the directors, they will continue to support the company in respect of amounts due to creditors from outside the group

Cash flow statement

The company has adopted the Financial Reporting Standard for Smaller Entities (2007) and is consequently exempt from the requirement to include a cash flow statement in the financial statements

Turnover

The turnover shown in the profit and loss account represents sales of property, on a receivable basis during the year, and rental income received, on a receivable basis, net of VAT.

Tangible fixed assets

Tangible fixed assets are valued at cost, being purchase price, less accumulated depreciation

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Fixtures & Fittings - 25% Straight Line

Investment properties

Investment properties are shown at their open market value The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year

This is in accordance with the FRSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance The departure from the provisions of the Act is required in order to give a true and fair view

Work in progress

Work in progress is valued on the basis of direct costs Provision is made for any foreseeable losses where appropriate No element of profit is included in the valuation of work in progress

1. **Accounting policies** *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Consolidation

In the opinion of the directors the company and its subsidiary undertaking comprise a small group The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts

2. **Fixed assets**

	Tangible Assets £	Investment Loans £	Total £
Cost			
At 1 February 2007	9,675	426,140	435,815
Additions	9,011	–	9,011
Disposals	(2,545)	–	(2,545)
Transfers	1,800,000	–	1,800,000
At 31 January 2008	1,816,141	426,140	2,242,281
Depreciation and amounts written off			
At 1 February 2007/written off in year	202	426,140	426,342
Charge for year	4,142	–	4,142
On disposals	(664)	–	(664)
At 31 January 2008	3,680	426,140	429,820
Net book value			
At 31 January 2008	1,812,461	–	1,812,461
At 31 January 2007	*9,473*	–	*9,473*

2. Fixed assets *(continued)*

Freehold investment property has been transferred from stock at a market value of £1,800,000 The directors intend to retain the property in the company for the long term

3. APB ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements

4. Transactions with the directors

During the year N A Aldred loaned the company £500,000 which is the amount owed at the balance sheet date (2007 - £nil)

5. Share capital

Authorised share capital:

	2008 £	2007 £
500,000 Ordinary shares of £1 each	500,000	1,000
1,500,000 Preference shares of £1 each	1,500,000	-
	2,000,000	1,000

Allotted, called up and fully paid:

	2008 No	2008 £	2007 No	2007 £
Ordinary shares of £1 each	200	200	200	200
Preference shares of £1 each	1,300,000	1,300,000	-	-
	1,300,200	1,300,200	200	200

	2008 £	2007 £
Amounts presented in equity:		
Ordinary shares of £1 each	200	200
Amounts presented in liabilities:		
Preference shares of £1 each	1,300,000	-

6. Control

The ultimate controlling parties are P A Buckles and N A Aldred by virtue of their shareholding in the company